

STATE OF SOUTH CAROLINA

(Caption of Case)

In Re: Petition of South Carolina Electric & Gas
Company for Update for Updates and Revisions to
Schedules Related to the Construction of a
Nuclear Base Load Generation Facility at
Jenkinsville, South Carolina

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2012 - 90 - E

(Please type or print)

Submitted by: Belton T. Zeigler

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input checked="" type="checkbox"/> Other: Proposed Notice	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	of Hearing	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		



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LAW FIRM

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March 7, 2012

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Petition of South Carolina Electric & Gas Company for Updates and Revisions to Schedules Related to the Construction of a Nuclear Base Load Generation Facility at Jenkinsville, South Carolina
Docket No. 2012-90-E

Dear Ms. Boyd:

South Carolina Electric & Gas Company ("SCE&G") and the South Carolina Office of Regulatory Staff ("ORS") have consulted with each other concerning the scheduling of prefiling deadlines and the setting of a hearing date in the above-referenced docket, with the understanding that any deadlines or dates agreed upon by the parties would be subject to approval by the Public Service Commission of South Carolina ("Commission"). As a result of the parties' discussions, SCE&G and ORS have agreed upon the following prefiling deadlines and hearing date:

SCE&G's direct testimony and exhibits will be prefiled with the Commission and served on ORS and all other parties of record on or before **May 16, 2012**;

The direct testimony and exhibits of ORS and all other parties of record will be prefiled with the Commission and served upon SCE&G and all other parties of record on or before **June 6, 2012**;

Any rebuttal testimony and exhibits will be prefiled with the Commission and served upon all parties of record on or before **June 25, 2012**;

Any surrebuttal testimony and exhibits will be prefiled with the Commission and served upon all parties of record on or before **July 11, 2012**; and

A public hearing will be conducted in the Commission's hearing room located at Synergy Business Park, 101 Executive Center Drive, Columbia, South Carolina on **July 18, 2012**.

Based on the foregoing, SCE&G and ORS respectfully request that the Commission establish the prefiling deadlines for this proceeding in the manner described above and issue a Notice of Filing and Hearing setting July 18, 2012, as the hearing date for this matter. Enclosed for the Commission's consideration is a proposed Notice of Filing and Hearing reflecting July 18, 2012, as the hearing date and establishing April 25, 2012, as the deadline for other parties to intervene in this proceeding.

Thank you for your consideration of our request. If you have any questions or need additional information, please do not hesitate to contact us.

Sincerely,


Belton T. Zeigler

BTZ/wrm
Enclosure

cc: K. Chad Burgess, Esquire
Shannon Bowyer Hudson, Esquire
Courtney D. Edwards, Esquire
John W. Flitter
(all via electronic and U.S. First Class Mail w/enclosure)

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2012-90-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY – PETITION OF SOUTH CAROLINA ELECTRIC & GAS COMPANY FOR UPDATES AND REVISIONS TO SCHEDULES RELATED TO THE CONSTRUCTION OF A NUCLEAR BASE LOAD GENERATION FACILITY AT JENKINSVILLE, SOUTH CAROLINA

In Order No. 2009-104(A), dated March 2, 2009, the Public Service Commission of South Carolina (“Commission”) authorized South Carolina Electric & Gas Company (“SCE&G” or “Company”) to construct and operate two 1,117 net megawatt nuclear facilities (“Units”) to be located at the Virgil C. Summer Nuclear Station site near Jenkinsville, South Carolina. In accordance with the Base Load Review Act, S.C. Code Ann. § 58-33-210 *et seq.*, in Order No. 2009-104(A), the Commission approved an estimated capital cost for the Units of \$4.5 billion in 2007 dollars. In Order No. 2010-12, in Docket No. 2009-293-E, the Commission approved SCE&G’s request to, among other things, approve an updated schedule of capital costs for the project. The updated capital cost schedule did not alter the total estimated capital cost for the Units of \$4.5 billion in 2007 dollars but changed the timing of certain costs.

In Order No. 2011-345, the Commission approved an updated capital cost schedule for the units which also removed all projected contingency costs as required by the decision of the South Carolina Supreme Court in South Carolina Energy Users Comm. v. South Carolina Pub. Serv. Comm’n, 388 S.C. 486, 697 S.E.2d 587 (2010).

On February 29, 2012, SCE&G filed a petition with the Commission, pursuant to S.C. Code Ann. § 58-33-270(E), seeking an order approving an updated construction schedule and capital cost schedule for the Units. The updated construction schedule revises the construction plan for the Units based on the issuance of the combined operating license for the Units by the Nuclear Regulatory Commission in early 2012, not mid-2011 as originally anticipated. It also incorporates approximately \$155 million in capital costs that have been incurred or have been identified since the issuance of Order No. 2011-345.

The capital cost estimate for which the Company seeks Commission approval in this proceeding is currently \$4.4 billion in 2007 dollars. In its filing, the Company states that it may seek to update its capital cost estimates during the pendency of these proceedings if additional cost items are identified or if cash flow schedules are updated.

S.C. Code Ann. § 58-33-270(E) authorizes SCE&G to petition the Commission for modification of any of the schedules related to the construction of a base load generation facility. This statute provides that such requests shall be granted if the Commission finds that the changes are not the result of imprudence on the part of the SCE&G. The Company states that the changes to the schedules are the result of normal and prudent adjustments, revisions, changes and refinements in construction plans and cost estimates which are to be expected for a project of this scope.

In its filing, SCE&G also requests that the Commission issue an accounting order concerning the treatment of certain additional construction costs arising from claims made by the contractors for the Units. SCE&G states in its petition that the contractors assert that these additional costs were caused by changing regulatory requirements related to the Units and by unanticipated site conditions. SCE&G states

that it is challenging these claims but nonetheless, may be required to pay the costs associated with these challenged claims (“Challenged Costs”) under protest while challenges to them are being resolved. Until these challenges are resolved, SCE&G is requesting that the Commission allow SCE&G to report the cost of the Units both with and without including Challenged Costs. SCE&G is also requesting that the Commission measure compliance with approved construction cost schedules for the Units based on the cost schedules which do not include the Challenged Costs. SCE&G states that the Challenged Costs will not be included in any rate filings until the challenges related to them have been resolved and the resulting cost have been presented to the Commission for review.

A copy of the Company’s filing may be obtained from the Commission at the address below. Additionally, the filing is available on the Commission’s website at www.psc.sc.gov and is available from the corporate office of South Carolina Electric & Gas Company at 100 SCANA Parkway, Cayce, South Carolina, 29033.

A public hearing, will be held in Columbia, South Carolina in the offices of the Commission at 101 Executive Center Drive, Columbia, South Carolina 29210, for the purpose of receiving testimony and other evidence from all interested parties regarding the petition beginning at 10:30 am on July 18, 2012.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission’s Rules of Practice and Procedure on or before April 25, 2012, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. ***Please refer to Docket No. 2012-90-E.***

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below; the South Carolina Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and K. Chad Burgess, Associate General Counsel, South Carolina Electric & Gas Company, 220 Operation Way, Mail Code C222, Cayce, South Carolina 29033, on or before April 25, 2012, and indicate the amount of time required for their presentation. ***Please refer to Docket No. 2012-90-E.***

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before April 25, 2012. ***Please refer to Docket No. 2012-90-E.***

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of the proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission’s Rules of Practice and Procedure should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211